

FISCAL NOTE
SB 2586 - HB 2625

January 27, 2004

SUMMARY OF BILL: Requires the Fiscal Review Committee to review all state contracts that exceed the original bid and contracted cost by 10 percent or more.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$78,300 Recurring
\$2,000 One-Time

Estimate assumes:

- One position for the Fiscal Review Committee with salary and benefits of \$52,000 and \$2,000 worth of related supplies to review all audits and prepare information for the Committee.
- Twelve extra meeting days for the Committee, 17 Committee members and per diem cost of \$129 for an increase in expenditures of \$26,300.
- The Department of Transportation estimates that approximately 25 contracts per month would be sent to the Committee for review in accordance with the provisions of the bill.
- The Department of General Services estimates that approximately one contract per month would be sent to the Committee for review in accordance with the provisions of the bill.
- The University of Tennessee, Board of Regents, and Department of Finance and Administration were not able to make a determination as to the number of their contracts that would require review in accordance with the provisions of the bill. However, it is estimated that a substantial number of their contracts would require review.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

